



## Press Release

# PORR 2021 with positive tailwind and all-time high order backlog

- Record order backlog of EUR 7.1 bn (+12.2%)
- Production output of EUR 5.2 bn for 2020
- Improved asset structure despite negative EBT of EUR -51.0m in COVID year

Vienna, 26.04.2021 - Austria's second-largest construction company, PORR, with around 20,000 employees, generated production output of EUR 5.2 bn in its nine countries in 2020. Massive restrictions resulting from the COVID-19 pandemic coupled with the revaluation of projects led to negative EBT of EUR 51.0m. The adjusted order backlog<sup>1</sup> totalled EUR 7.1 bn and represents an all-time high after climbing by 12.2%.

"The past year was a challenge for all of us and from every perspective. PORR's reaction has been fast and decisive", says Karl-Heinz Strauss, CEO of PORR. "We established impeccable health and safety infrastructure in order to safeguard construction operations. With the future programme PORR 2025, concrete progress in terms of organisation, costs and efficiency is already visible. We have thereby had a positive start to 2021".

### Earnings as expected, order situation stable

In 2020 PORR generated production output of EUR 5.2 bn. The decrease of 6.9% was mainly caused by the temporary shutdown of construction sites in Austria necessitated by the pandemic and the numerous restrictive measures in relation to COVID-19. In addition to output disruptions and interruptions to operations, every market also saw delays to projects caused by travel restrictions, local lockdowns, and non-performing subcontractors. Overall, Austria and Germany remained the most important PORR markets, together accounting for 71%. PORR ended the year with negative EBT of EUR 51.0m, which reflect the costs incurred as a result of COVID-19 as well as the revaluation of projects.

The high order backlog is particularly pleasing, up by 12.2% once adjusted, to reach EUR 7.1 bn despite the crisis, representing an all-time high. With the consistent strategy of intelligent growth, the project pipeline is well filled with valuable contracts in building construction, civil engineering and infrastructure construction. In the special segment Slab Track Austria, PORR is fitting out projects like the Austrian Koralm Tunnel and the German Filder Tunnel, part of Stuttgart 21. In Poland, PORR is building the Lech Kaczyński LNG terminal, one of the country's largest energy projects.

Residential construction in Germany, Austria and Switzerland continues to see great momentum. With the Q-Tower, as part of the project THE MARKS in Vienna, and the Parkstadt Karlshorst project in Berlin, PORR acquired impressive new large-scale projects. The orders for the new technology centres for the BMW Group, Siemens Healthineers and Heraeus have allowed PORR to sustainably solidify its strong position in German industrial construction.

<sup>1</sup> Both the order backlog and order intake have been adjusted for the projects A1 Leverkusen Bridge and H51 Pfons - Brenner. The comparative figures have been restated retrospectively.



## Improved capital structure

As of 31 December 2020, PORR clearly improved its balance-sheet structure. Total assets stood at EUR 3.5 bn. There was a sharp reduction in trade receivables of 10.0% along with a decrease in trade payables of 14.6%. Consistent liquidity management enabled cash and cash equivalents of EUR 583m to be kept at the same high level as the previous year.

Net debt was significantly reduced by 60.5% as of the reporting date to EUR 137m through working capital management and measures to improve the balance-sheet structure. The equity ratio improved - despite the negative earnings - by 2.1 percentage points to 18.5%.

PORR AG is not reporting any net profit for the year 2020 so the Executive Board and Supervisory Board will not be submitting a dividend proposal to the Annual General Meeting. This does not, however, change the PORR dividend policy which remains aligned to a payout ratio of 30% to 50% in the case of positive earnings.

## Award-winning sustainability

Sustainability and building more sustainably is the strategic focus of PORR. In the business year 2020, PORR expanded its strong engagement in the sustainability sphere even further. This is reflected in the numerous top ESG ratings and awards received. In addition to winning the Energy Globe Austria Award and once again being named a Diversity Leader in the Financial Times, PORR achieved Gold status at EcoVadis and an above-average AA-Rating from MSCI ESG.

## Ready for vaccination

PORR has managed to keep infections in the company to an absolute minimum with a comprehensive testing strategy and hygiene measures. An internal COVID hotline and the deployment of a 24/7 crisis team has also ensured the provision of contact tracing, crisis support, de-escalation and the organisation of testing stations within the company. At the same time, the highest possible health and safety standards have been upheld. As soon as the government makes a vaccine available, PORR will seamlessly expand its test strategy with a vaccination strategy. The existing infrastructure will enable PORR to provide full vaccination coverage without delay.

## Future programme “PORR 2025”

PORR has set itself clear and achievable goals with its future programme “PORR 2025”. By accelerating the transformation, the first achievements are already visible in terms of organisation, cost savings and efficiency. From 2022, PORR expects sustainable cost savings of EUR 40m to EUR 50m. Growth topics and digital technologies will continue to be a priority to ensure PORR is fit for future challenges. The goal remains to sustainably strengthen PORR’s earning power and its market position on its home markets.

## 2021 outlook

The growth drivers in the construction industry remain intact and have even become stronger during the crisis. Overall, for 2021 the Executive Board assumes production output of approximately EUR 5.3 bn to EUR 5.5 bn and a positive EBT margin of +1.3% to +1.5%. The Executive Board is optimistic that the measures implemented will improve earning power and sustainably return it to pre-pandemic levels. This outlook is based on the assumption that the negative impacts of the COVID-19 pandemic can be largely overcome in the first half of 2021.

## Facts and figures at a glance

<i>Key performance indicators (EUR m)</i>	<b>2020</b>	<b>% Δ</b>	<b>2019</b>
Production output <sup>1</sup>	5,185	-6.9%	5,570
Average staffing levels	20,193	1.8%	19,828
Order backlog <sup>2</sup>	7,067	12.2%	6,298
Order intake <sup>2</sup>	5,905	8.6%	5,437
Revenue	4,651.8	-4.7%	4,880.4
EBITDA	131.4	-39.2%	216.2 <sup>3</sup>
EBT	-51.0	< -100.0%	37.4
Loss/profit for the period	-42.4	< -100.0%	27.8
<i>Financial position indicators (EUR m)</i>	<b>31.12.2020</b>	<b>% Δ</b>	<b>31.12.2019</b>
Total assets	3,509	-4.2%	3,665
Equity	651	8.6%	599
Equity ratio	18.5%	2.1 PP	16.4%
Net debt	137	-60.5%	346
<i>Key share data (EUR)</i>	<b>2020</b>	<b>% Δ</b>	<b>2019</b>
Earnings per share	-2.28	< -100.0%	0.50
Dividends per share	0.00	-	0.00

<sup>1</sup> Production output corresponds to the output of all companies and consortiums (fully consolidated, equity method, proportional or those of minor significance) based on the interest held by PORR AG.

<sup>2</sup> Both the order backlog and order intake have been adjusted for the projects A1 Leverkusen Bridge and H51 Pfons - Brenner. The comparative figures have been restated retrospectively.

<sup>3</sup> To facilitate better comparability, the reporting of expenses related to IFRS 16 (disposals) has been changed. The prior-year figures have been restated accordingly.

You can find the press release [here](#) in the PORR Newsroom. High-resolution images from this year's press conference on the annual results will be available [here](#) from around 11:00 am (please note the copyright © PORR). You can download the 2020 Annual Report [here](#).



For enquiries, please contact:

***Karl-Heinz Strauss***

CEO

PORR AG

T +43 50 626 1001

[comms@porr-group.com](mailto:comms@porr-group.com)

***Andreas Sauer***

CFO

PORR AG

T +43 50 626 1007

[comms@porr-group.com](mailto:comms@porr-group.com)

***Milena loveva***

Company Spokesperson

PORR AG

T +43 50 626 1763

[comms@porr-group.com](mailto:comms@porr-group.com)